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DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY KBT DATE 5/21/82

PORTIONS DENIED AS INDICATED

C O N F I D E N T I A L TAIPEI 5965

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TAGS MNUC TW

SUBJECT: AMBASSADOR MEETS WITH FOREIGN MINISTER SHEN TO DISCUSS RECENT PRESS REPORTS CONCERNING REPROCESSING ON TAIWAN.

REF: (A) STATE 214981; (B) TAIPEI 5907

1. I MET WITH CHINESE MINISTER OF FOREIGN AFFAIRS SHEN CH'ANG-HUAN AT HIS REQUEST AT NOON TODAY TO DISCUSS RECENT US PRESS REPORT THAT THE ROC IS SECRETLY REPROCESSING NUCLEAR FUEL ELEMENTS TO PRODUCE WEAPONS MATERIAL. IN HIS INTRODUCTORY REMARKS, SHEN STATED THAT US MEDIA, INCLUDING THE WASHING POST, THE NEW YORK TIMES, THE BALTIMORE SUN AND VAIOUS TELEVISION STATIONS, HAVE CARRIED STORIES ACCUSING THE ROC OF SECRETLY REPROCESSING SPENT URANIUM FUEL. THE ROC AMBASSADOR TO THE US, JAMES SHEN, AS WELL AS MINISTER SHEN, HAVE DENIED THESE REPORTS TO CBS, NBC AND UPI.

2. MINISTER SHEN EMPHASIZED THAT PREMIER CHIANG CHING-KUO HAS CLEARLY EXPRESSED IN THE PAST, AND WISHES TO REITERATE THAT: (A) THE ROC IS UNCHANGING IN ITS POSITION NOT TO MAKE NUCLEAR WEAPONS;

(B) INSTALLATIONS IN THE ROC ARE CURRENTLY UNDER THE CONFIDENTIAL

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SAFEGUARDS AND SUPERVISION OF THE IAEA, AND A RECENT IAEA INSPECTION PROVED THAT THE ROC IS CONFORMING TO THESE SAFEGUARDS REGULATIONS; (C) FROM THE VERY BEGINNING THE ROC HAS BEEN PARTY TO THE NON-PROLIFERATION TRATY, AND ADHERES TO ITS TERMS; AND (D) ROC RESEARCH AND DEVELOPMENT IN THE NUCLEAR FIELD IS ENTIRELY FOR PEACEFUL PURPOSES WHICH ARE IMPORTANT TO THE ISLAND'S ECONOMIC DEVELOPMENT AND WHICH DEPEND ON THE SUPPLY OF FUEL FROM THE US.

3. MINISTER SHEN STATED THAT THE US EMBASSY IN TAIPEI IS WELL AWARE OF ROC ACTIVITIES IN THE NUCLEAR FIELD, AND THAT CLOSE COOPERATION AND COMMUNICATION IS MAINTAINED BY THE EMBASSY WITH SUCH OFFICIALS AS CHENG CHEN-HUA, SECRETARY GENERAL OF THE CHINESE AEC. HE REQUESTED ME TO INFORM THE STATE DEPARTMENT THAT THE ROC'S BASIC POLICY IS NOT TO MAKE NUCLEAR WEAPONS, AND THAT THIS POSITION HAS NOT CHANGED.

4. [redacted]

5. [redacted]

6. MINISTER REPEATED HIS ASSURANCES THAT THE ROC HAS NO PLANS FOR

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THE REPROCESSING FOR WEAPONS PURPOSES AS DESCRIBED IN THE PRESS RELEASES, THAT THE ROC WISHES TO COOPERATE WITH THE US IN EVERY WAY, AND THAT HE HOPED I WOULD REITERATE PREMIER CHIANG'S FOUR POINTS TO THE STATE DEPARRMENT SO THAT FUTURE COOPERATION IN THE NUCLEAR FIELD WOULD NOT BE AFFECTED. MINISTER MENTIONED THE RECENT IAEA INSPECTION OF ROC FACILITIES AT THE INSTITUTE OF NUCLEAR ENERGY RESEARCH (INER), AND THE FACT THAT NO MAJOR IRREGULARITIS WERE NOTED. HE REPEATED HIS CONCERN THAT THE STATE DEPARTMENT MUST BE AWARE OF THE FACTS OF THE SITUATION, AND NOT BE MISLEAD BY "WILD REPORTS" IN THE MEDIA. HE OFFERED THE INVITATION THAT IF THERE WERE ANY FURTHER PROBLEMS RLATIVE TO THIS SITUATION, THE EMBASSY "ALWAYS CAN COME TO US".

7. I REPLIED THAT I DID NOT BELIEVE THERE WERE ANY MISUNDER-STANDINGS ON THIS SITUATION BUT THAT I WOULD KEEP HIS INVITATION IN MIND. US/ROC COOPERATION IN NUCLEAR MATTERS HAS BEEN PRODUCTIVE, AND OUR RELATIONSHIPS WITH THE CAEC HAVE BEEN OPEN AND COMPLETE. THE TAIPOWER NUCLEAR POWER PLANTS ARE ADVANCING RAPIDLY.

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